

MARCH 21, 2011

CALL TO ORDER

The regular monthly Council meeting of the City of Saint Marys was called to order by Mayor Sally Geyer on Monday, March 21, 2011 at 7:00 p.m. The meeting was held in the Council Room of City Hall, 11 LaFayette Street. Notice of this meeting was sent to Council on March 17, posted at City Hall, and published in the Daily Press.

ROLL CALL

Present: Mayor Sally Geyer, Dennis Nero, Richard Gabler, Jr., Daniel Hepner, Richard Dornisch, Bob Roberts, Manager David Greene, Solicitor Mark Jacob. Steven Skok was excused.

VISITORS

Visitors included: Elizabeth Friedl, Ned Jacob, Bob Yoder, Ken Young, Gwen Auman, John Schatz, Todd Hanes, and Warren Stewart. Jerry Marshall did not sign in.

APPROVAL OF MINUTES
March 7, 2011

Richard Gabler, Jr. made a motion to approve the minutes of March 7, 2011, seconded by Richard Dornisch, and all were in favor.

REPORT ON EXECUTIVE SESSION

An Executive Session was held immediately following the March 7, 2011 Council meeting regarding personnel matters. No decisions were made.

SPECIAL PRESENTATION
Bob Yoder, re: update on Hotel Project and Power Purchase Agreement

Bob Yoder provided Council with an update of the Downtown Hotel Project. He stated after nine different banks were contacted and were not interested in funding the project, an alternative lender was obtained. The loan is closed and the funding is to be forwarded into an escrow account this coming Monday.

Solicitor Jacob questioned the actual date of the closing and Mr. Yoder responded this coming Monday. The funds will be transferred to an escrow account, documents will be recorded and the proceeds will be distributed. He apologized for the delay.

Mr. Yoder also stated the Power Purchase Agreement, for the Solar Panel Project that was being considered for the Parking Garage, has been reviewed by his attorney and Nathan Yoder. It will be presented to Council in the near future. An upgrade to the transformer for the Parking Garage will be needed, if Council agrees to the Solar Panel Project.

Ned Jacob

Ned Jacob, resident, asked Mr. Yoder why there are no businesses in the newly built Canadensis building and Mr. Yoder responded the spaces cannot be occupied until financing is obtained for the purchase of the Career Link building from North Central Development. The banking industry has recently made it very difficult to obtain financing. Mr. Jacob then asked Mr. Yoder if his company had delinquent taxes and Mr. Yoder responded no. Mr. Yoder then stated it wasn't a delinquent problem, it was an assessment problem. It took three years to get it straightened out.

Jerry Marshall

Jerry Marshall, resident, asked Mr. Yoder if he was aware of a rumor the parking garage workers were not getting paid and Mr. Yoder responded he was not the owner of the parking garage, the City was the owner.

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Manager Greene responded the parking garage was managed by the City and due to the recent bad weather work had been delayed. The contractor's are getting paid and if the weather cooperates work should resume sometime next week.

CITIZEN COMMENTS ON
AGENDA TOPICS

There were no citizen comments on agenda topics.

MANAGER'S REPORT

February 25- Members of Council and I attended the Grand Opening of the Dunham's Sport Store.

February 25- Councilman Roberts, Councilman Hepner and I met with representatives from Hunt Marcellus Operating Company to discuss the selling of effluent water from our Wastewater Treatment Plant.

March 2- Attended the open house at Suzy's Furniture Store.

March 7- Councilman Skok and I attended the PLCM Core Communities Task Force and Legislative Committee meeting in Harrisburg.

March 15- Carol Muhitch and I met with representative from Windstream to discuss our communication needs for the City.

March 16- Mike Mullaney and I met with Thad Sorg to discuss selling effluent water to Drilling Companies.

Comments

Manager Greene commented there was an untrue rumor that the Governor had pulled the funding for the Parking Garage Project. The recent delays were strictly weather related issues and the anticipated completion date is still July of 2011. The transformer needs to be installed to accommodate the elevator and possibly the Solar Panels.

The meeting with Windstream was to discuss phone and internet services for the various City buildings. The meeting did produce a solution to a listing error in the local phone book. A call forwarding option was placed on the 781-1717 number, that is listed numerically first for the City, but actually is the Fire Department administrative phone number.

There were three drilling companies interested in purchasing effluent water from the City, but most will purchase from the Water Authority first. In case of unavailability of potable water, due to drought etc., the drillers would consider effluent water.

APPROVAL OF EXPENDITURES

Daniel Hepner made a motion to approve the Expenditures from February 14, 2011 to March 16, 2011, seconded by Bob Roberts, and all were in favor.

TREASURER'S REPORT

Mayor Geyer presented the Treasurer's Report for February 28, 2011. Total revenue for the General Fund was six percent or \$406,827 of budget. Total expenditures to date were \$678,072 or 10 percent of budget. Last year at this time revenue was at \$339,616 and expenditures were \$638,726. A portion of the real

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estate tax revenue should be received by the end of March. Pension plans continue to climb in market value.

Comment

Councilman Hepner commented on the increase in the pension funds.

LEGISLATIVE ACTION

Consider for adoption; Resolution No. 11-6, re: Agility Agreement with PennDOT

Resolution No. 11-6 was presented for adoption authorizing an Agility Agreement between the City of St. Marys and PennDOT for a period of five years.

Manager Greene stated the current agreement was primarily for line painting services from PennDOT and for street sweeping services from the City.

Motion Passed

Bob Roberts made a motion to adopt Resolution No. 11-6, seconded by Richard Dornisch, and all were in favor.

Award of Bids:
Truck/Operator Services

Manager Greene stated the following bid was opened during a public meeting held on Monday, March 10, 2011 at City Hall:

Bucktail Excavators				
Single Axle	Tandem	Tri-Axle	Crawler	Mini Crawler
\$45.00	\$55.00	\$65.00	\$80.00	\$60.00

Manager Greene stated the above rates were per hour, and on an as needed basis.

Motion

Richard Gabler, Jr. made a motion to award the bid to Bucktail Excavators, seconded by Dennis Nero.

Comment

Richard Gabler commented the bid prices stayed the same as in 2010.

Motion Passed

All were in favor to award the bid to Bucktail Excavators.

Blacktop Patching Services

Manager Greene stated the following bid was opened during a public meeting held on Monday, March 10, 2011 at City Hall:

St. Marys Paving
19mm binder- \$128.00 per ton applied
9.5 wearing course- \$135.00 per ton applied

Motion

Richard Dornisch made a motion to award the bid to St. Marys Paving, seconded by Bob Roberts.

Comment

Mayor Geyer commented there was only a two dollar increase from last year.

Motion Passed

All were in favor to award the bid to St. Marys Paving.

TOPICS FOR DISCUSSION

Airport Authority debt included in the City Bond Refinancing

Councilman Hepner provided Council with an update on the Airport Authority debt being included in the City Bond Refinancing. He stated including the debt would provide approximately \$7400 to \$7900 in savings for the Airport in the next 7-8 years. He explained the Airport had various reductions in expenses, but sales are also reduced. He recommended incorporating the Airport Authority debt in the City Bond Refinancing.

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Councilman Gabler commented it would mean significant savings for the Airport Authority.

Councilman Roberts commented the City will not assume the debt for the Airport. The Airport would continue to make reduced payments over a longer period of time, which gives them the operating capital to continue.

Councilman Hepner responded the savings for the Airport Authority is based on a "net present value".

Joint Meeting between Council and Planning Commission

Councilman Hepner stated a Joint Meeting between City Council and the Planning Commission is planned for Tuesday March, 29th at 7:00 p.m. It will be advertised and the public is invited to attend.

**CITIZEN COMMENTS
ON NON-AGENDA TOPICS**
Elizabeth Friedl

Elizabeth Friedl approached Council and commented she had a correction to her previous comments regarding television broadcast volume control. The recent law passed would affect commercials only. She also commented again on the Washington Street parking issue.

Councilman Dornisch responded, in the future, if funds were available, a joint effort between the City, PennDOT, and the Cemetery Caretaker, should be considered to explore options for the parking issue.

Mayor Geyer responded she was not aware of accidents occurring because of the parking. She stated the traffic slows down as they travel along that portion of Washington Street.

Manager Greene stated residents park along the street because they do not have a driveway.

COUNCIL COMMENTS

Councilman Gabler commented, due to failing health and safety issues, the Shade Tree Commission had two trees removed from the Diamond. They have been replaced with new, fairly mature trees, eliminating the safety issue. He thought they looked very nice and also thought the Shade Tree Commission did a nice job.

Bob Roberts expressed his appreciation of the City Street Sweeper being run throughout the City recently.

ANNOUNCEMENTS

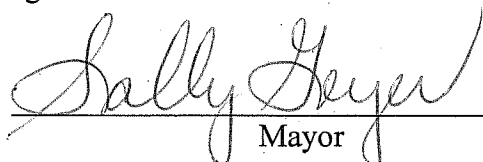
Mayor Geyer made the following announcements:

- The next Council worksession will be held Monday, April 4, 2011 at 7:00 p.m. at City Hall.

ADJOURNMENT

Richard Gabler, Jr. made a motion to adjourn the meeting.


Recording Secretary


Mayor